

July 15, 1997

VIA FACSIMILE 915-682-0534 AND CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Ms. Rachel Lyman P. O. Box 3726 Midland, TX 79702-3726

> Re: Application of David Petroleum Corp. for Unorthodox Location, Strawn Test Well Lea County, New Mexico

Dear Ms. Lyman:

This letter is to advise you that David Petroleum Corp. (DPC) has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location of a Strawn test well which David proposes to drill 1250' from the south line and 1200 feet from the east line of Section 36: T-16-S, R-37-E, NMPM, Lea County, NM.

This application has been set for hearing before a Division Examiner August 7, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the Order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. If you do not object to this application, please so indicate by signing the waiver provided below and return a copy of this letter to me in the enclosed envelope and by facsimile.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 pm on the Friday before a scheduled hearing.

Sincerel Bill Owen

Land Manager

cc: William F. Carr Attorney for DPC

WAIVER OF ØBJECTION: Rachel Lyman Date

DAVID PETROLEUM CORP. EDWARD K. DAVID, PRESIDENT Certified Petroleum Geologist Off. 505/622-8850 Fax: 505/622-1801 Res. 505/622-5267 116 West First Roswell, New Mexico 88201